

LOUIS GILBERT & ASSOCIATES, INC.

Consulting Geologists

3636 North Causeway Boulevard, Suite 204

Metairie, Louisiana 70002-7216

Telephone
(504) 834-8112

Facsimile
(504) 834-1736

August 26, 2002

Honorable James B. Welsh
Commissioner of Conservation
P.O. Box 94275, Capitol Station
Baton Rouge, Louisiana 70804-9275

RE:

Application Notice

Lower Textularia L-3 Zone
Bayou Sauveur Field
Terrebonne Parish, Louisiana

Dear Sir:

Murphy Exploration and Production Company ("Applicant") hereby makes application to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Lower Textularia L-3 Zone, in the Bayou Sauveur Field, Terrebonne Parish, Louisiana.

1. To establish rules and regulations governing the exploration for and production of gas and condensate.
2. To create a single drilling and production unit for the exploration for and production of gas and condensate.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator and a unit well for the unit so created.
5. To provide that any future replacement or alternate unit wells drilled to the Lower Textularia L-3 Zone, should be exempt from the spacing provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
7. To consider such other matters as may be pertinent.

received
8/27/02

The Lower Textularia L-3 Zone is hereby defined as being that gas and condensate bearing sand encountered between the depths of 14,964 feet and 15,154 feet (electrical log measurements) in the Murphy Exploration & Production Company - LL&E No. 1 Well, located in Section 20, Township 20 South, Range 16 East, Terrebonne Parish, Louisiana.

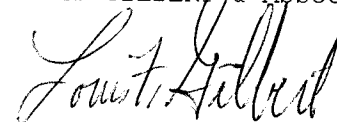
A timely request for the conference tentatively scheduled in the pre-application notice dated August 14, 2002 was not received and therefore the conference will not be held.

All pertinent data relating to the subject application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002. Any person wishing to inspect such data should contact the undersigned at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is not otherwise available from the Office of Conservation can be obtained at the expense of the requesting party.

The Applicant will provide for posting a copy of the Legal Notice of this hearing and a copy of the enclosed plat at a prominent place in the area affected by this application and will cause the publication of the Legal Notice in a newspaper published in the general area of the Bayou Sauvage Field. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties all in accordance with the Revised Rules of Procedure.

There is attached hereto and made a part hereof, a plat outlining the proposed unit and a list of names and addresses of the Interested Parties, Interested Owners and Represented Parties to whom this notice is being sent. Pursuant to the Revised Rules of Procedure, such list of Parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. The aforementioned list is available upon request to any Interested Party. A reasonable effort was made to ascertain the names and addresses of all Interested Parties, Interested Owners and Represented Parties as required by the Revised Rules of Procedure.

Very truly yours,
LOUIS GILBERT & ASSOCIATES, INC.



Louis F. Gilbert

cc: Mr. Richard Hudson (w/enclosures)
Office of Conservation
825 Kaliste Saloom Rd, Brandywine III
Suite 220
Lafayette, Louisiana 70505

Mr. Jim Krig
Murphy Exploration & Production Company

Interested Parties, Interested Owners
and Represented Parties (w/plat)

R 15 E

R 16 E

Louisiana Land & Exploration Company

18

L TEX L-3 RB SU A
L.L. & E. No. 1
+/- 253 Acres

GULF
L.L.&E. 1

15,100'

MURPHY E&P
L.L.&E.

428'

15,570' MD
13585' TVD

NORCEN
L.L.&E.

16,000'

KILROY
L.L.&E. 1

13,550'

T 20 S

Louisiana Land & Exploration Company

Louisiana Land & Exploration Company

24

19

PROPOSED UNIT
PROPOSED UNIT WELL

Louisiana Land & Exploration Company

17

Louisiana Land & Exploration Company

MCCORMICK
St. Martin 1

19,262'

FAULT

St. Martin

DOW
St. Martin

20

St. Martin

EXHIBIT No.

DOCKET No.

MURPHY

EXPLORATION & PRODUCTION COMPANY

BAYOU SAUVEUR FIELD
TERREBONNE PARISH, LOUISIANA

Proposed Unit

Lower Textularia L-3 Zone

Date:

3000'

2000'

1000'

0'

Geology: LOUIS GILBERT & ASSOCIATES, INC.

Geo-Draft, Inc.
(504) 836-2882